

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT				1. Contract ID Code Firm-Fixed-Price		Page 1 Of 4	
2. Amendment/Modification No. P00003		3. Effective Date 2000APR14		4. Requisition/Purchase Req No. SEE SCHEDULE		5. Project No. (If applicable)	
6. Issued By TACOM-ROCK ISLAND AMSTA-LC-CTT JEFF DEVILDER (309) 782-6329 ROCK ISLAND IL 61299-7630 EMAIL: DEVILDERJ@RIA.ARMY.MIL		Code W52H09		7. Administered By (If other than Item 6) DCMC DENVER ORCHARD PLACE 2 5975 GREENWOOD PLAZA BLVD SUITE 200 ENGLEWOOD CO 80111-4715 SCD C PAS NONE ADP PT SC1002		Code S0602A	
8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code) ELECTRIC POWER EQUIPMENT CO 5151 E 56TH AVE COMMERCE CITY CO 80022-3830 TYPE BUSINESS: Other Small Business Performing in U.S.				<input type="checkbox"/>		9A. Amendment Of Solicitation No.	
						9B. Dated (See Item 11)	
				<input checked="" type="checkbox"/>		10A. Modification Of Contract/Order No. DAAE20-98-D-0018	
						10B. Dated (See Item 13) 1997DEC05	
Code 1DF57		Facility Code					
11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS							
<input type="checkbox"/> The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers <input type="checkbox"/> is extended, <input type="checkbox"/> is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended by one of the following methods: (a) By completing items 8 and 15, and returning _____ copies of the amendments; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.							
12. Accounting And Appropriation Data (If required) NO CHANGE TO OBLIGATION DATA							
13. THIS ITEM ONLY APPLIES TO MODIFICATIONS OF CONTRACTS/ORDERS							
KIND MOD CODE: C It Modifies The Contract/Order No. As Described In Item 14.							
<input type="checkbox"/>		A. This Change Order is Issued Pursuant To: The Contract/Order No. In Item 10A. The Changes Set Forth In Item 14 Are Made In					
<input type="checkbox"/>		B. The Above Numbered Contract/Order Is Modified To Reflect The Administrative Changes (such as changes in paying office, appropriation data, etc.) Set Forth In Item 14, Pursuant To The Authority of FAR 43.103(b).					
<input checked="" type="checkbox"/>		C. This Supplemental Agreement Is Entered Into Pursuant To Authority Of: FAR 52.248					
<input type="checkbox"/>		D. Other (Specify type of modification and authority)					
E. IMPORTANT: Contractor <input type="checkbox"/> is not, <input checked="" type="checkbox"/> is required to sign this document and return _____ copies to the Issuing Office.							
14. Description Of Amendment/Modification (Organized by UCF section headings, including solicitation/contract subject matter where feasible.) SEE SECOND PAGE FOR DESCRIPTION							
Contract Expiration Date: 2002DEC05							
Except as provided herein, all terms and conditions of the document referenced in item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.							
15A. Name And Title Of Signer (Type or print)				16A. Name And Title Of Contracting Officer (Type or print) DEBRA JUHL JUHLD@RIA.ARMY.MIL (309) 782-3370			
15B. Contractor/Offeror (Signature of person authorized to sign)		15C. Date Signed		16B. United States Of America By (Signature of Contracting Officer)		16C. Date Signed	
NSN 7540-01-152-8070 PREVIOUS EDITIONS UNUSABLE				30-105-02		STANDARD FORM 30 (REV. 10-83) Prescribed by GSA FAR (48 CFR) 53.243	

CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIIN DAAE20-98-D-0018 MOD/AMD P00003	Page 2 of 4
Name of Offeror or Contractor: ELECTRIC POWER EQUIPMENT CO		

SECTION A - SUPPLEMENTAL INFORMATION

The purpose of this modification is to set forth a mutual agreement for a royalty settlement for an equitable adjustment resulting from the Government’s acceptance, and incorporation into this contract of the contractor’s Value Engineering Change Proposal (VECP) No. VE0018-0001 dated 17 Jul 98. The VECP was incorporated into this contract by incorporating the VECP itself/ No. VE0018-0001 by letter whose effective date was 10 Aug 98.

1. As a basis for negotiating this modification, the following data are mutually agreed to be valid to the best of the knowledge of both parties:

- (a). Date of acceptance by the Government of the first item incorporating the VECP__19-Sep-98__
- (b). Originally scheduled delivery date of the last affected item under the instant contract__19-Mar-99__
- (c). Number of items affected in the instant contract
Pricing Period #1 (Date of award - 30 Nov 98)__36__
- (d). Gross unit savings\$624.00__
- (e). Contractor development and implementation costs\$__0__
- (f). Government costs\$__0__
- (g). Average annual collateral savings\$2,850.00__
- (h). Concurrent contracts into which the VECP has been incorporated and resultant savings in each:

	AFFECTED	UNIT	IMP	NET
<u>CONTRACT</u>	<u>QUANTITY</u>	<u>SAVINGS</u>	<u>COSTS</u>	<u>SAVINGS</u>
None				
CONCURRENT TOTAL NET SAVINGS:				\$__0__

(i). Known future contracts (and options to instant contract, etc.) into which the VECP has been incorporated and the number of units scheduled for delivery during the royalty period:

<u>CONTRACT</u>	NUMBER OF UNITS <u>UNDER ROYALTY</u>
DAAE20-98-D-0018	
Pricing period #1 (Date of Award - 30 Nov 98)	37
Pricing period #2 (1 Dec 98 - 30 Nov 99)	50
Pricing period #3 (1 Dec 99 - 30 Nov 00)	14
Pricing period #4 (1 Dec 00 - 30 Nov 01)	0
Pricing period #5 (1 Dec 01 - 30 Nov 02)	0
TOTAL UNITS UNDER ROYALTY	101__

2. Applying the above data as directed by the applicable Value Engineering provisions of this contract results in the following calculated factors:

- (a). Gross instant Contract Savings (1c x 1d)\$__22,464.00__
- (b). Instant Contract Savings (2a - 1e)\$__22,464.00__
- (c). Net Instant Acquisition Savings (2b - 1f)\$__22,464.00__
- (d). Government’s Share of Net Instant Acquisition Savings (2c x 50%)\$__11,232.00__
- (e). Contractor’s Share of Net Instant Acquisition

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Savings (2c x 50%) \$__11,232.00__

(f). Contractor's Share of Average Annual Collateral Savings (1g x 20%) \$__570.00__

(g). Government's Share of Average Annual Collateral Savings (1g x 80%) \$__2,280.00__

(h). Contractor's Share of Concurrent Contract(s) Savings (1h x *) \$__0__

(i). Government's Share of Concurrent Contract(s) Savings (1h x *) \$__0__

(j). Future Contract Unit Cost Reduction
Pricing period #1 (Date of Award - 30 Nov 98) \$__624.00_
Pricing period #2 (1 Dec 98 - 30 Nov 99) \$__624.00_
Pricing period #3 (1 Dec 99 - 30 Nov 00) \$__650.00_
Pricing period #4 (1 Dec 00 - 30 Nov 01) \$__677.00_
Pricing period #5 (1 Dec 01 - 30 Nov 02) \$__696.00_

(k). Contractor's Unit Royalty (2j x 50%)
Pricing period #1 (Date of Award - 30 Nov 98) \$__312.00_
Pricing period #2 (1 Dec 98 - 30 Nov 99) \$__312.00_
Pricing period #3 (1 Dec 99 - 30 Nov 00) \$__325.00_
Pricing period #4 (1 Dec 00 - 30 Nov 01) \$__338.50_
Pricing Period #5 (1 Dec 01 - 30 Nov 02) \$__348.00_

(l). Not used.

(m). Government's Unit Royalty (2j x 50%)
Pricing period #1 (Date of Award - 30 Nov 98) \$__312.00_
Pricing period #2 (1 Dec 98 - 30 Nov 99) \$__312.00_
Pricing period #3 (1 Dec 99 - 30 Nov 00) \$__325.00_
Pricing period #4 (1 Dec 00 - 30 Nov 01) \$__338.50_
Pricing period #5 (1 Dec 01 - 30 Nov 02) \$__348.00_

(n). Contractor's Share of Known Future Contract Savings (1i x 2k)
Pricing period #1 (Date of Award - 30 Nov 98) \$__11,544.00_
Pricing period #2 (1 Dec 98 - 30 Nov 99) \$__15,600.00_
Pricing period #3 (1 Dec 99 - 30 Nov 00) \$__4,550.00_
Pricing period #4 (1 Dec 00 - 30 Nov 01) \$__0_
Pricing period #5 (1 Dec 01 - 30 Nov 02) \$__0_
TOTAL: \$__31,694.00_

(o). Government's Share of Known Future Contract Savings (1i x 2k)
Pricing period #1 (Date of Award - 30 Nov 98) \$__11,544.00_
Pricing period #2 (1 Dec 98 - 30 Nov 99) \$__15,600.00_
Pricing period #3 (1 Dec 99 - 30 Nov 00) \$__4,550.00_
Pricing period #4 (1 Dec 00 - 30 Nov 01) \$__0_
Pricing period #5 (1 Dec 01 - 30 Nov 02) \$__0_
TOTAL: \$__31,694.00_

(p). Adjustment in Total Contract Price
(- 2b + 2e + 2f + 2h - 2o)
Instant contract savings - \$__22,464.00_
Contractor's share of net Acquisition savings + \$__11,232.00_
Contractor's share of collateral savings + \$__570.00_
Contractor's share of concurrent savings \$____.00_
Government share of future savings - \$__31,694.00_
TOTAL: - \$__42,356.00_

(q). Royalty Period 9 - 19 - 98 through 09 - 19 - 01

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Name of Offeror or Contractor: ELECTRIC POWER EQUIPMENT CO			

(r). Applicable NSN: 4910-01-417-1870

3. The decrease in the contract price will be distributed to individual delivery orders as follows:

DELIVERY ORDER	PRICING PERIOD	UNIT PRICE DECREASE	QUANTITY	ORDER PRICE DECREASE BY
0001	1	\$312.00	26	- \$ 8,112.00
0002	1	\$312.00	10	- \$ 3,120.00
0003	1	\$312.00	37	- \$11,544.00
0004	2	\$312.00	5	- \$ 1,560.00
0005	2	\$312.00	15	- \$ 4,680.00
0006	2	\$312.00	6	- \$ 1,872.00
0007	2	\$312.00	21	- \$ 6,552.00
0008	2	\$312.00	3	- \$ 936.00
0009	3	\$325.00	14	- \$ 4,550.00
				- \$42,926.00
Contractor's share of net collateral savings:				+ 570.00
TOTAL:				- \$42,356.00

* The contractor's share of collateral savings will be paid under CLIN 0003AA on delivery order 0009.

4. As a result of the incorporation of the above VECF into Contract DAAE20-98-D-0018, the unit prices for Pricing periods 3, 4 and 5 reflected on page 2 of the basic Contract DAAE20-98-D-0018 are adjusted as follows:

PRICING PERIOD 3:

MIN:	0 - 25	\$99,299.00 - \$650.00 = \$98,649.00
MAX:	26 - 50	\$96,320.00 - \$650.00 = \$95,670.00

PRICING PERIOD 4

MIN:	0 - 25	\$103,436.00 - \$677.00 = \$102,759.00
MAX:	26 - 40	\$100,333.00 - \$677.00 = \$ 99,656.00

PRICING PERIOD 5

MIN:	0 - 25	\$107,746.00 - \$696.00 = \$107,050.00
MAX:	26 - 35	\$104,513.00 - \$696.00 = \$103,817.00

5. All other terms and conditions of Contract DAAE20-98-D-0018 remain unchanged.

6. Acceptance of this modification comprises a complete discharge and satisfaction of each and every claim the contractor has or may have arising from the circumstances which led to the modification to the contract. The contractor expressly accepts this modification in lieu of any other reimbursement, equitable adjustment, remedy, or relief arising out of, related to, or associated with this modification.

*** END OF NARRATIVE A004 ***